

1877.
NEW ZEALAND.

EMIGRANT AND COLONIST'S AID CORPORATION (LIMITED)

(CORRESPONDENCE WITH THE).

Presented to both Houses of the General Assembly by Command of His Excellency.

No. 1.

Mr. A. F. HALCOMBE to the Hon. the PREMIER.

SIR,—

Wellington, 5th June, 1877.

By recent advices from England I am informed that the Directors of the Emigrant and Colonist's Aid Corporation have in contemplation the immediate purchase of the fee-simple of the whole of the Manchester Block, and that they desire to open it up for sale and settlement by the prosecution of roadwork with even greater vigour than heretofore.

In order to do this a very considerable capital, in addition to that already raised and expended, will be required; and I am under instruction to ascertain whether Ministers will agree to certain concessions which will materially strengthen the hands of the Directory in England, and at the same time guarantee to the Government that the colonization of the block will be carried on with a more reasonable expectation of successful settlement than if the present terms of the contract were rigidly adhered to.

The two questions I have to submit for the consideration of Ministers are,—1st. Whether the Government will forego the fulfilment of the remaining portion of the immigration clauses of the Corporation contract. 2. Whether, in case of the Corporation immediately paying off the whole of the promissory notes held by the Colonial Treasurer, the Government will refund to the Corporation, as an additional subsidy for road-making within the block, the sum of £10,000 paid as interest to the Government, in the proportion of £1 added to every £2 expended by the Corporation out of its own funds, thus providing a sum of £30,000 to be expended in further road-making within the block, of which £20,000 will have to be supplied by the Corporation.

With regard to the first question, I may mention that the Corporation has already emigrated some 1,200 statute adults, and has more than 1,600 now resident on the block. In the present depressed state of the labour market, both in the settlement and generally through the colony, it is I think evident that it would be neither wise nor humane to bring another 800 people *en masse* into the place before those already introduced have had time to educate themselves to their work, and to settle down into their places as colonists. My experience in this settlement is that the newly-arrived immigrant from England is, as a rule, eminently out of place at first in a bush country such as this, and that his education to the work before him is a tedious, difficult, and costly process, involving much hardship to himself and his family, and producing no corresponding advantage to any one else. The experience of Ministers who have acquaintance with the practical work of colonization doubtless coincides with mine, and I therefore have less hesitation in suggesting that it is much better that I should be allowed to consolidate my present settlements, and, continuing my road-work as rapidly as possible, seek to colonize the rest of the block, by means of persons accustomed to bush work, rather than fulfilling the terms of the contract that the Corporation should be forced to pour in a number of persons to compete in an overstocked labour market with those already here. I may also urge that, from a Government point of view, further immigration under the contract is inexpedient, for not only has the Government to find passages for the immigrants, but I should certainly be obliged to throw them entirely on the Government for employment under the terms of the contract.

With regard to the second question, there are many reasons which I feel justified in advancing in support of the request. In the first place, the value of the contract to the Corporation has by the action of the Government been materially decreased in several important particulars since it was entered into. When the contract was made in 1871 it gave the Corporation a monopoly of free immigration—a most important and valuable provision, securing to the Corporation a power of selection which for the purposes of the contemplated settlement would have been invaluable, and which certainly was taken into account as a set-off against the price agreed to be paid for the land, which was above the then market price for so large a block of dense inaccessible bush country. The moment free immigration was made general, the Corporation not only